

Welcome
to UCD's Winter Workshop #3:
Carbon Market Access for Forest
Landowners

Visit www.ucdwa.org to:

- Register for more winter workshops
- View a workshop you missed (including last year's!)
- Purchase from our Native
 Plant Sale, ending Feb. 28
- Find details about
 TreeFest and the day-of sale on Saturday, March
 19, 2022
- Sign up for our enewsletter

Underwood Conservation District's

WINTER WORKSHOP SERIES

December 2021 - March 2022

Conservation in Your Own Backyard

TUESDAY, DECEMBER 14TH 6-8PM

The Benefits of Beaver co-presented with Mid-

co-presented with Mid-Columbia Fisheries Enhancement Group

THURSDAY, JANUARY 20 6-8PM

Carbon Market Access for Small Forest Landowners

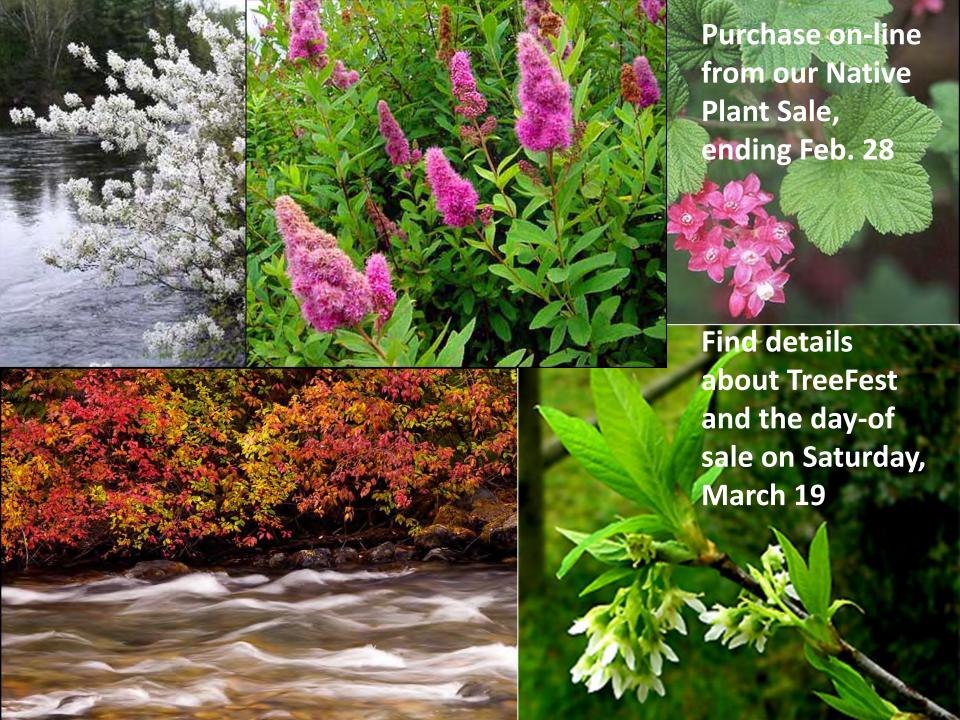
THURSDAY, FEBRUARY 17TH 6-8PM Farmland Succession Planning

THURSDAY, MARCH 24TH 6-8PM

All workshops are offered virtually via Zoom and require registration. Please visit the UCD website for more information and to register.

www.ucdwa.org

Underwood Conservation District | 509.493.1936



Plant for Success...

- Right Plant, Right Place.
- Plant in the Fall or early Spring, as soon as the ground is workable.
- Mulch your plants to suppress grass and retain soil moisture.

- Protect your seedlings from deer and elk browse.
- Irrigate, if possible, until plants are established (1-2 years).

For Tonight's Zoom...



Please remain muted throughout the presentation.



Please raise your hand to speak and we will call on you.



Question?
Audio/visual
problems? Use the
Chat box.



If you are having trouble with computer audio, you can also dial in using your telephone.

...Thank You!

Sit back and relax...

Tonight's Program

- 6:00 pm: Welcome and Introduction
- 6:05 pm: Brief overview of local forest resources
- 6:10 pm: Carbon Market Access presentation by Sandy Letzing with Forest Carbon Works
- 7:00 pm: Q&A and Discussion

Quick Poll...

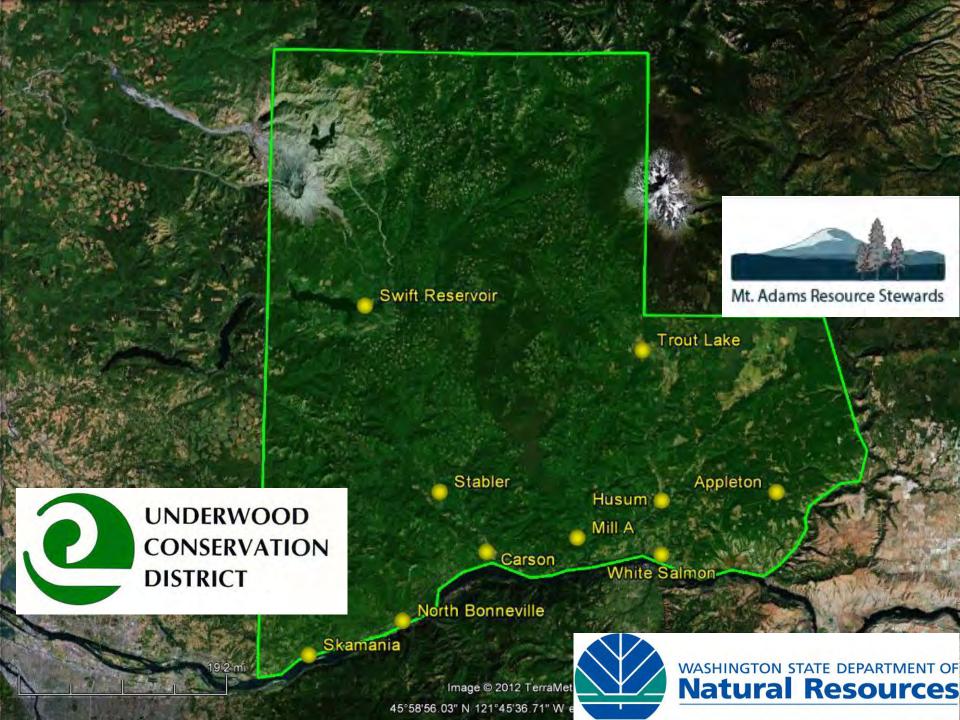


Our Mission: to engage landowners and land users throughout Skamania and west Klickitat Counties in the voluntary conservation, enhancement, stewardship, and sustainable use of natural resources.



District Programs

- Educational Workshops, Seminars and Field Trips
 On-Site Technical Assistance, Conservation
 Planning, Project Development and Cost-Share to:
 - Small Farms
 - Livestock Owners
 - Family Forests
 - Streamside landowners
- Native Plant Sale and Annual TreeFest
- **Invasive Weed Management**
- Integrated Beneficial Insect/Pollinator Habitat
- Fish Habitat Restoration
- Fish Passage Inventories and Correction
- Irrigation Fish Screen Installation
- Water Quality and Flow Monitoring
- Livestock Best Management Practices
- Oak Woodland and Forest Management
- **Firewise**



Local Forest Resources

UCD -

- Home Hazard Assessments and site visits to determine wildfire risk and defensible space priorities;
- mobile chipping services and project support;
- small woodland assessments and other natural resource technical assistance;
- Annual tree sale and TreeFest.

DNR -

- site visits with service foresters;
- support for forest management planning and cost share funding.

MARS -

- Working with communities and agencies to improve forest health across the landscape and foster a "stewardship economy"
- Stewardship crew available for forestry projects.
 WA Farm Forestry Association, WSU Extension and NRCS (Goldendale or Vancouver)



EASTERN WASHINGTON SERVICE FORESTRY COST-SHARE PROGRAM

Improve your forest's health and reduce your risk of damage from wildfire, pests and disease.





THIS PUBLICATION CONTAINS:

- . PROGRAM INFORMATION AND REQUIREMENTS
- LIST OF COST-SHARED PRACTICES
- CURRENT COST-SHARE RATES
- THE COST-SHARE APPLICATION FORM





WASHINGTON STATE
DEPARTMENT OF NATURAL RESOURCES (DNR)
cooperating with

Revised 1/1/2022



Forest Carbon Works

Carbon Storage and Small Woodland

Landowners

Sandy Letzing
PNW Regional Forester



Image: www.calebkenna.com

- Why carbon storage?
- 2. Cap and Trade Market
- 3. Carbon Storage Opportunities and the PNW
- 4. Carbon Market Basics
- 5. Typical Barriers facing landowners
- 6. Intro to Forest Carbon Works
- 7. FAQs

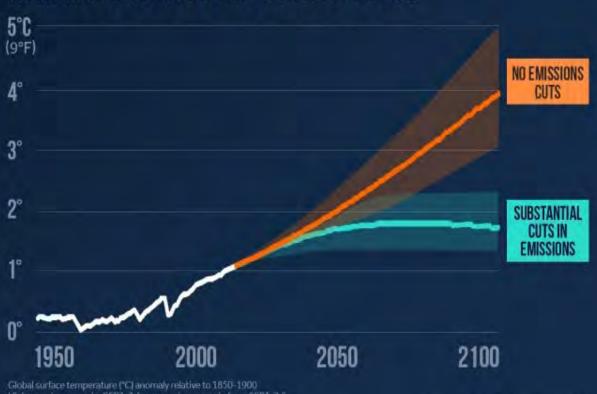




Climate change

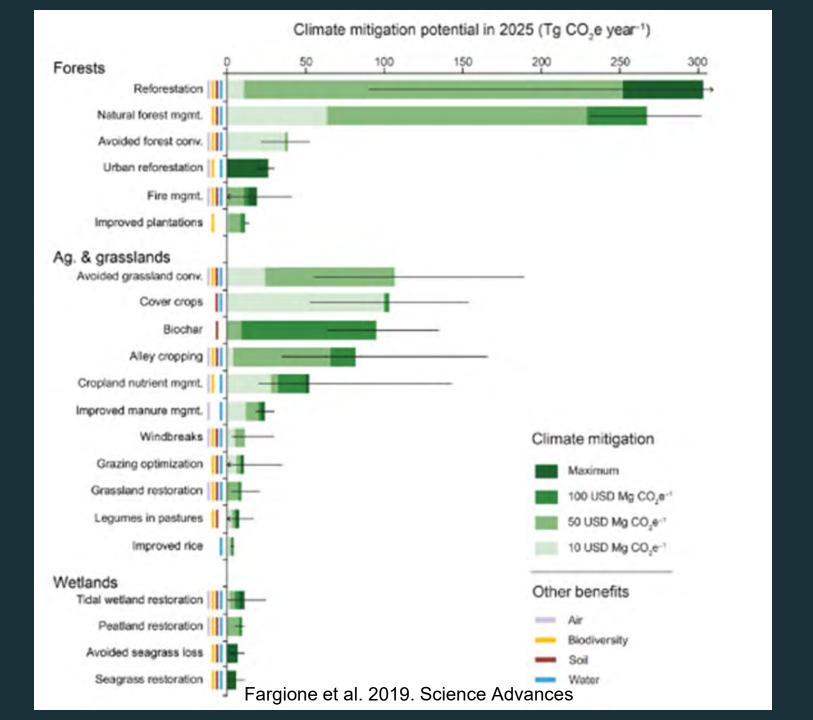
FUTURE TEMPERATURES

WARMING DEPENDS ON CHOICES TODAY



Global surface temperature (°C) anomaly relative to 1850-1900 High warming scenario; SSP3-7, Low warming scenario from SSP1-2.6, Source: IPCC AR6 WG1

CLIMATE (*) CENTRAL



Carbon Markets - A Quick Review

Compliance (Regulatory)

- Long-term (100 year minimum)
- Cap and trade emissions requirements
- · Rigorous methodologies, verification, oversight
- Highest credit payments

Voluntary

- Shorter term (20-40 years)
- Carbon-neutral "green"-based incentives
- Potentially less oversight and verification
- Lower payments

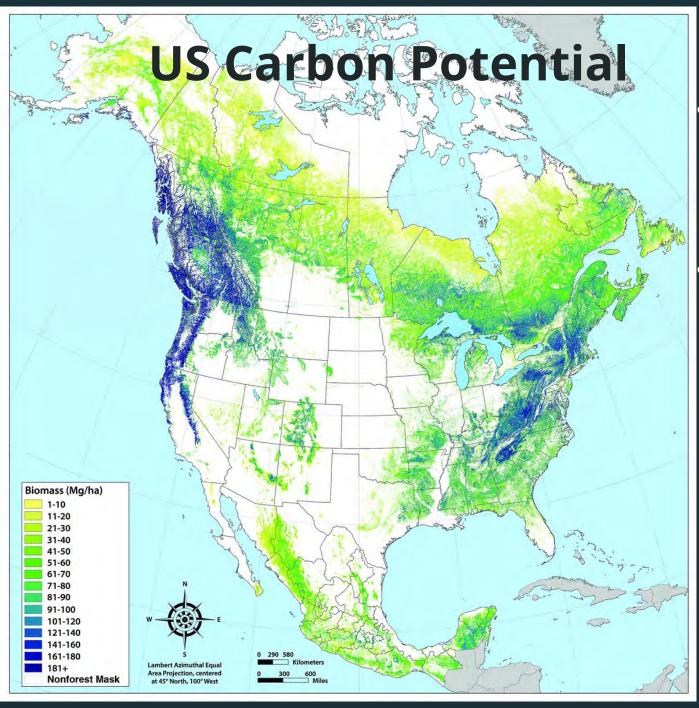


Tool -> Offsets

Offset: A reduction in CO2 emissions or an increase in sequestration to compensate for emissions elsewhere

Carbon offset credit is a transferable instrument certified by governments or independent certification bodies to represent an emission reduction of one metric ton of CO2 (or an equivalent amount of other GHGs).

For forest landowners, those offset credits are made in the forest!



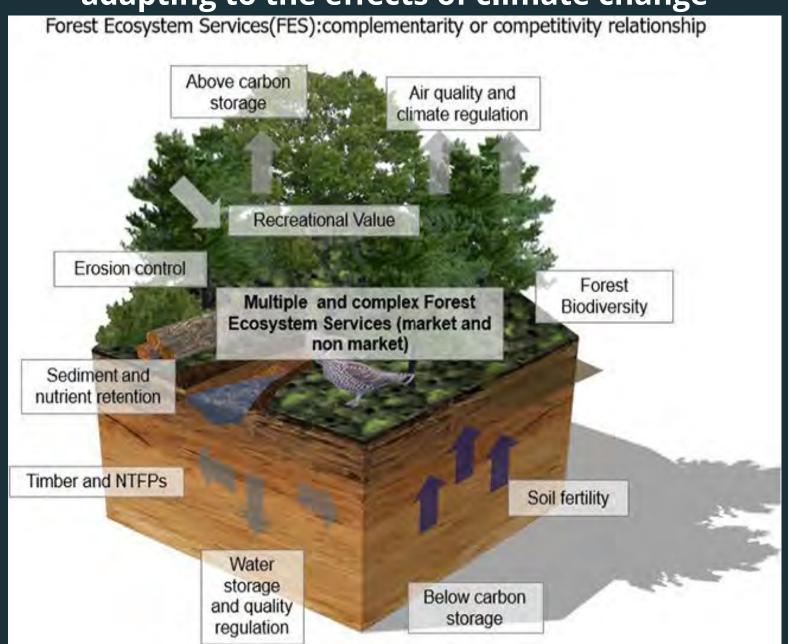
- U.S. forests cover over 741 million acres
- 39% is privately owned

Kevin McCullough, U.S. Forest Service. North American Biomass and Disturbance Mapping Working Group, 2014

Table 1.2: Western states' forest carbon sequestration and CO₂ fossil fuel emissions, in MMT CO₂e.

Western state	Forest carbon sequestration mean 2010-17 (MMT CO ₂ e)	Forest carbon sequestration as percent of U.S. total	2016 CO ₂ emissions, fossil fuels (MMT CO ₂ e)	2016 CO ₂ emissions as percent of U.S. total	Forest carbon sequestration as percent of CO ₂ emissions
Arizona	- 7.6	- 1.3%	86.8	1.7%	-8.8%
California	13.7	2.4%	366.4	7.0%	3.7%
Colorado	- 6.2	- 1.1%	88.5	1.7%	-7.0%
Idaho	22.0	3.8%	18.4	0.4%	119.6%
Montana	13.8	2.4%	30.8	0.6%	44.8%
Nevada	- 0.5	- 0.1%	36.7	0.7%	-1.4%
New Mexico	11.8	2.1%	48.7	0.9%	24.2%
Oregon	34.3	6.0%	37.9	0.7%	90.5%
Utah	0.7	0.1%	58.5	1.1%	1.2%
Washington	27.2	4.7%	81.1	1.6%	33.5%
Wyoming	- 29.0	- 5.0%	60.7	1.2%	-47.8%
Total – U.S.	575.2	100%	5,216.7	100%	11.0%

Forests are a critical natural solution to both mitigating and adapting to the effects of climate change





WHERE IS CARBON STORED IN A FOREST?

A FOREST STORES CARBON IN
DIFFERENT POOLS, AND THE
AMOUNT OF CARBON IN THESE
POOLS CHANGES OVER TIME.

FIVE FOREST CARBON POOLS

- A. Live aboveground (trees, shrubs, and other plants)
- B. Live belowground (roots)
- C. Deadwood (standing dead trees [snags] and downed logs)
- D. Litter (leaves, needles, and small branches)
- E. Soil organic matter (organic material in the soil, such as dead and decayed biomass [e.g., plant material and insects])

Factors that influence the amount and proportion of carbon in each of these pools:

- · the age of the forest
- the species of trees making up the forest
- · natural and human disturbances
- soil characteristics (e.g., texture and drainage)
- past agricultural land-use history

Carbon Storage:

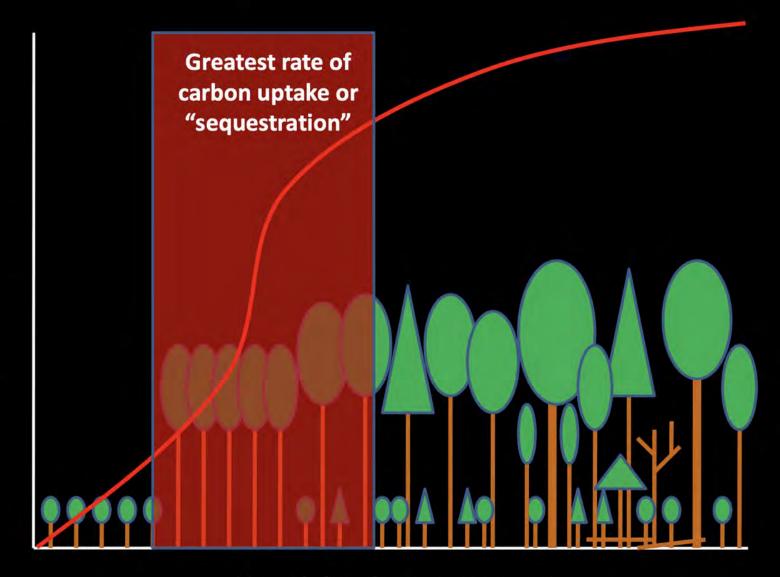
Carbon stored as biomass (tree trunks, roots, and leaves)

Carbon Sequestration:

Uptake or removal of CO2 from the atmosphere via photosynthetic processes

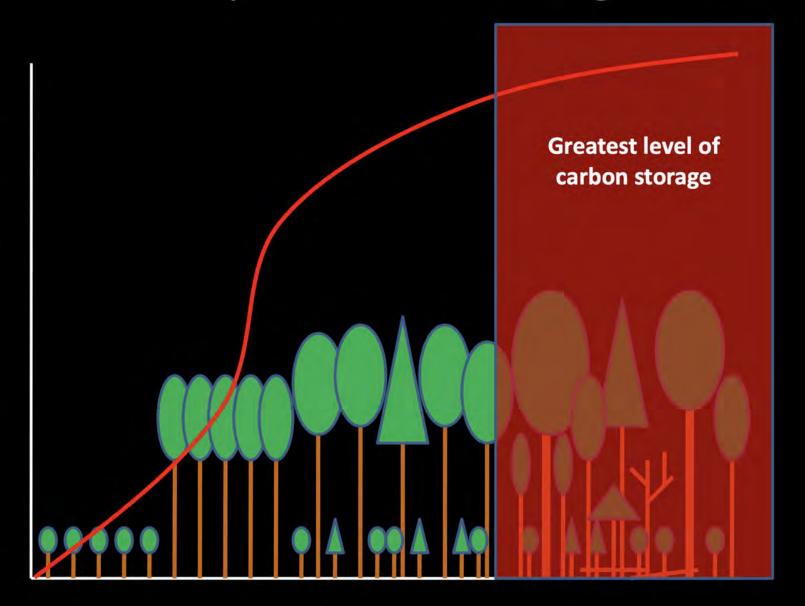


Sequestration vs. Storage



Stand development over time

Sequestration vs. Storage



Stand development over time

Forest Carbon Works, PBC

Supporting small landowners with technical consulting and development services for forest carbon offset projects

2016: Launch of methodology and first pilot inventories

2018: First project verified

2019: Additional projects initiated

2020: FCW becomes a Public Benefit Corporation

2020-2021: Company growth and expansion throughout the U.S.

SMALL FAMILY FOREST OWNERS MAKE UP 39% OF FOREST OWNERSHIP IN THE U.S.



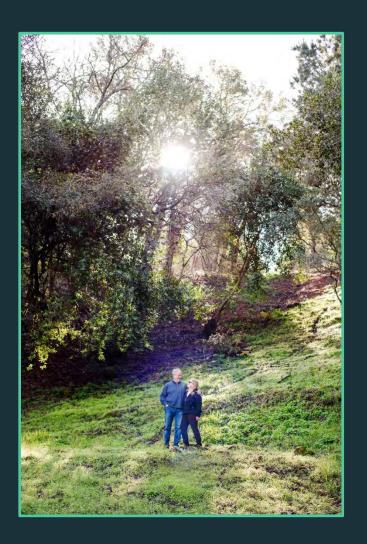
How Carbon Projects Work

Carbon Projects

Quantified accrual of carbon in a forest area over time

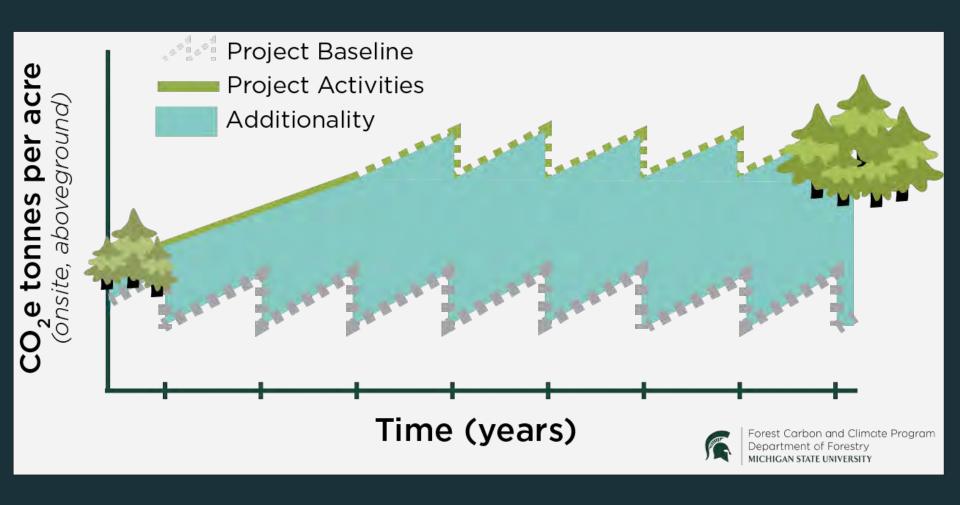
Improved Forest Management

Forests that accrue carbon over time, creating additionality compared to regional baselines

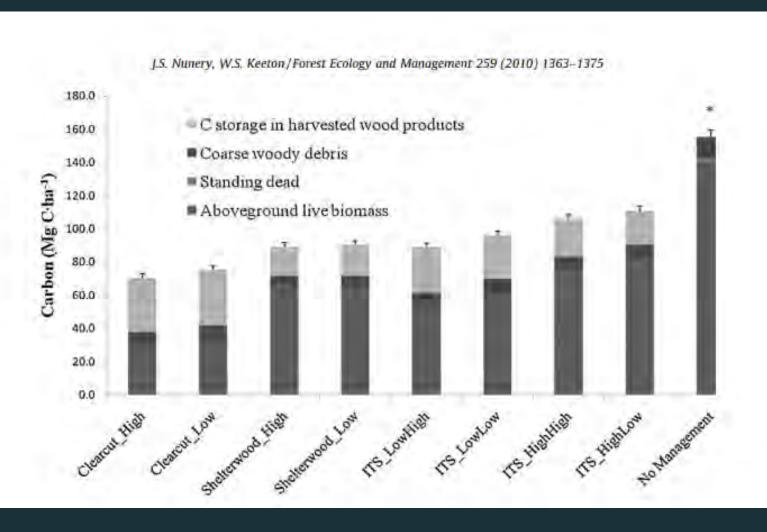




Improved Forest Management



Improved Forest Management For the Small Woodland Owner



High Value, High Quality Credits





Typical Barriers to Market Access for Small Landowners

Inventory

- Different from traditional timber inventories
- Time and cost intensive

Development

- Cost intensive
- Requires specialization (modeling, volume/biomass calculations, documentation, knowledge of methodologies/standards, navigating registries/state/marketplaces)

Verification

- Comprehensive third-party audit
- Due to rigor of program, high costs



FCW: Creating Better Access





FCW: Creating Better Access

Minimize Costs

- Standardized platform (easy online application, \$75)
- Reduce inventory, development, and verification costs
- No major upfront costs or commitments required
- Spread fixed-costs over multiple projects in region

Remove Complexity

- Paid per acre, per year
- Six-year renewable contracts, concurrent terms
 - FCW handles all heavy lifting
- Automated reporting to state
- Standardized prerequisites



FCW Prerequisites & Responsibilities

Prerequisites

- Minimum 40 acres private forest land in contiguous USA
- Must own timber rights
- Harvests must be legally allowed but not legally required
- All owners must enroll all forested ownerships

Responsibilities

- Long-term commitment
- Provide access to FCW team & forest technicians
- Coordinate commercial harvests with FCW
- Annual reporting and periodic re-measurement



Year 1 Timeline

From Initial Feasibility to Accredited Project

Make an Online Account

Answer a short guiz

Submit Full Online Application

Determine eligibility

Application Review

- FCW follow up
- FCW approves or denies

FCW Takes the Lead

- Landowner education
- Property visit & free carbon inventory
- Analysis of carbon inventory data
- Evaluation of project viability

FCW Presents Membership Offer

Landowner Decision

- Accept Membership Offer
- Reject Membership Offer

30 days

1-3 months, seasonally dependent

Project Start

- Membership welcome and enrollment
- First steps to register for project

Down Payment Made to Landowner

FCW Begins Project Development

- Supplementary inventory
- Required analyses, modeling, documentation
- Third-party audit preparation

Project Officialization

Third-party audit (verification)

- Registry review
- Review by State of California
- Credit issuance and sales

Remainder of First Annual Payment Made to Landowner

Project Enters Year 2

- Annual update form
- Annual report to State of California
- Annual payments continue to landowner

45 days

6

months

45 days

3-4 months

Long-Term Project Timeline

PHASE 1: CREDITING

Project initiation, pilot inventory and verification; annual payments to LO

PHASE 3: CREDITING

Re-inventory and next annual payments to landowner begin

MONITORING

Periodic monitoring and reporting; increased harvest flexibility

0-5 13-18 26-125

6-12

PHASE 2: CREDITING

Re-inventory and next annual payments to landowner begin

19-25

PHASE 4: CREDITING

Final credits for 25-year period issued, last round of payments to landowner



Forest Carbon Works FAQs

Are carbon projects compatible with state tax programs?

Yes! As long as you can fulfill the requirements of both (e.g. FMPs and harvest reqs).

Am I able to participate in more than one carbon program?

NO. Your property will be INELIGIBLE for future participation in another, different carbon project as soon as you initiate a project on your property. This means even very short-term carbon projects (some as short as 1 year) will make you ineligible to do ANY OTHER projects on that same parcel.

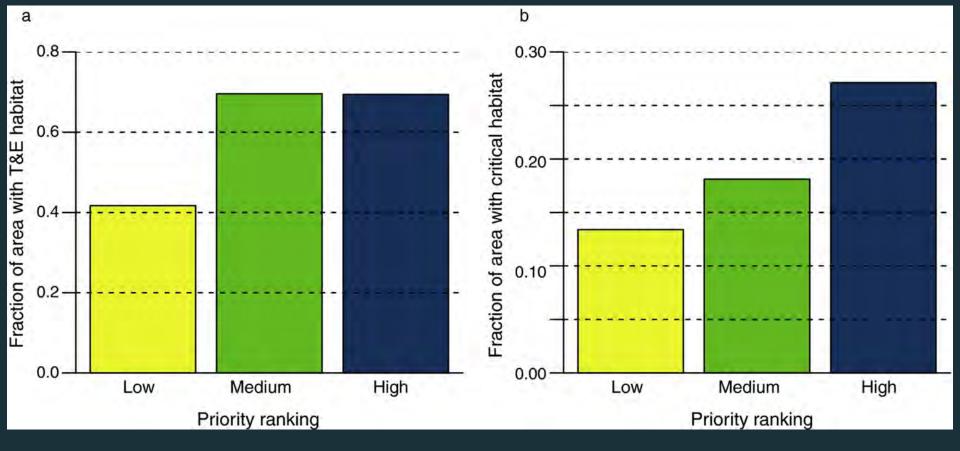
What if there is a natural event like a fire or windstorm that impacts my forest - how does this affect the carbon project?

The landowner is not responsible for the impacts from natural events on their forest lands. There is a buffer or insurance credit pool managed by the ARB. FCW will manage and facilitate utilization of the buffer pool.



Thank you!

Sandy Letzing sandy@forestcarbonworks.com



Fraction of forest in each carbon priority ranking with (a) habitat of all threatened and endangered (T&E) species designated as critical for that species survival and (b) habitat of terrestrial vertebrate species listed as threatened or endangered by the U.S. Fish and Wildlife Service.

Change in forest cover in PNW





< OREGON, UNITED STATES

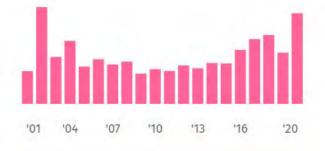


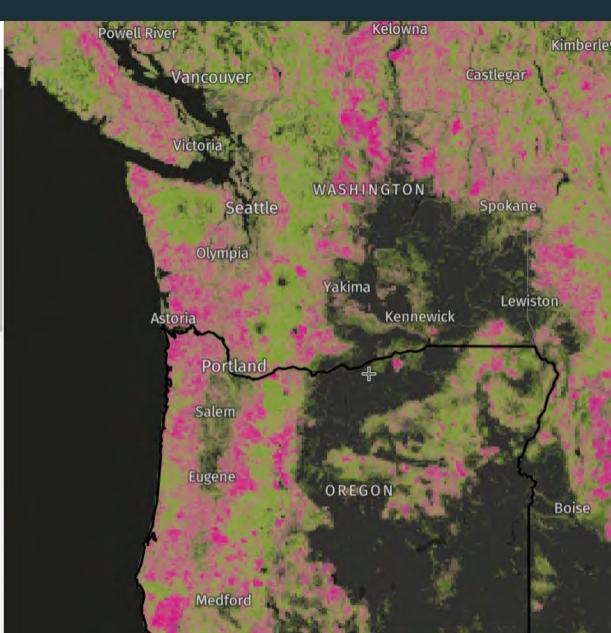
In 2010, **Oregon** had **8.70Mha** of natural forest, extending over **39%** of its land area. In **2020**, it lost **150kha** of natural forest, equivalent to **113Mt** of CO₂ of emissions.

TREE COVER LOSS IN OREGON, UNITED STATES



From 2001 to 2020, Oregon lost 2.00Mha of tree cover, equivalent to a 21% decrease in tree cover since 2000, and 1.75Gt of CO₂e emissions.





Why Forest Carbon Works...

Keeping Forests Forests

Supporting long-term forest conservation and sustainable forest management

Providing local work opportunities

Helping small forest owners get paid for their stewardship efforts

Providing income to assist with long-term land tenureship



Questions and Discussion

Thank you for attending!

Visit us at www.ucdwa.org or call 509-493-1936

